

Pursuant to the due call and notice thereof, a regular meeting of the North Mankato City Council was held in the Municipal Building Council Chambers on July 3, 2023. Mayor Carlson called the meeting to order at 7:00 pm, asking everyone to join the Pledge of Allegiance. The following were present for roll call: Council Members Steiner, Oachs, Peterson, Whitlock, City Administrator McCann, Finance Director Ryan, and City Clerk Van Genderen. Absent: Community Development Director Fischer, Public Works Director Arnold.

Approval of Agenda

Council Member Steiner moved, seconded by Council Member Oachs, to approve the agenda as presented. Vote on the motion Steiner, Oachs, Peterson, Whitlock, and Carlson, aye, no nays. Motion carried.

Approval of Council Minutes from June 20, 2023, Council Meeting.

Council Member Whitlock moved, seconded by Council Member Steiner, to approve the June 20, 2023, Council Meeting Minutes. Vote on the motion Steiner, Oachs, Peterson, Whitlock, and Carlson, aye, no nays. Motion carried.

Approval of Council Work Session Minutes from June 20, 2023, Council Work Session Meeting.

Council Member Oachs moved, seconded by Council Member Peterson, to approve the Council Work Session Minutes of June 20, 2023. Vote on the motion Steiner, Oachs, Peterson, Whitlock, and Carlson, aye, no nays. Motion carried.

Public Hearing, 7 pm to Consider City Code Business Regulations, Chapter 113, Sales, Testing, Manufacturing, and Possession of Products Containing THC, Cannabis, or Cannabinoids.

Attorney Kennedy appeared before Council and noted that the ordinance would repeal and replace a portion of the City Code Chapter 113 to allow the sale of THC at places with a liquor license.

With no one appearing before Council, Mayor Carlson closed the Public Hearing.

Public Hearing, 7 pm to Consider Amending City Code Chapter 34 Sales and Use Tax.

City Administrator McCann reported that the Ordinance would update City Code to reflect the total of \$21 million approved by the State Legislature, and the tax would run through 2044.

Barb Church, 102 Wheeler Avenue, appeared before the Council and requested clarification on the total of \$21 million since the original request was \$15 million in 2017.

City Administrator McCann stated that the voters approved \$15 million in 2017, and the legislature approved \$9 million. The City went back for a total \$15 million and was granted the additional \$6 million from the original 2017 request.

Consent Agenda

Council Member Steiner moved, seconded by Council Member Whitlock, to approve the Consent Agenda.

- A. Bills and Appropriations.
- B. Res. No. 46-23 Accepting Donations/Contributions/Grants.
- C. Approved an Audio Permit for Church Service at 304 Monroe Avenue, St. Paul Lutheran Church, on July 23, 2023, from 8:30 am to 10:30 am.
- D. Set a Public Hearing for 7 pm on July 17, 2023, to Consider Amendments to City Code Chapter 73: Recreational Vehicles.

Vote on the motion Steiner, Oachs, Peterson, Whitlock, and Carlson, aye, no nays. Motion carried.

Public Comments Concerning Business Items on the Agenda.

None.

Business Items

Ordinance No. 157 City Code Business Regulations, Chapter 113, Sales, Testing, Manufacturing, and Possession of Products Containing THC, Cannabis or Cannabinoids.

City Attorney Kennedy reviewed future changes that will be occurring when the sale of recreational marijuana becomes available on August 1, 2023, but noted that licensing would be controlled by the Minnesota Office of Cannabis Management, which will begin licensing sales in 2025. Council Member Steiner requested clarification on whether the ordinance would allow places with liquor sales to sell THC products. It was noted that Ordinance No. 157 would allow the sale of THC products at both on-sale and off-sale liquor establishments. Mayor Carlson requested clarification on if the State law conflicts with Federal Law. Attorney Kennedy stated it conflicts with Federal Law.

Council Member Steiner moved, seconded by Council Member Whitlock, to Adopt Ordinance No. 157 City Code Business Regulations, Chapter 113, Sales, Testing, Manufacturing, and Possession of Products Containing THC, Cannabis, or Cannabinoids. Vote on the motion, Steiner, Peterson, and Whitlock, aye, Carlson nay, Oachs abstain. Motion carried.

Ordinance No. 158, An Ordinance Repealing and Replacing Sections of City Code Section Title III; Administration, Chapter 34.40 to 34.60.

City Administrator McCann stated that with the State Legislature authorizing the extension of the Sales Tax to \$15 million with a grand total of \$21 million, the current City Code needs to reflect the updated language. In 2008 the City was authorized to collect \$6 million. In 2017, voters approved \$15 million, but the legislature only approved \$9 million. In 2023, the legislature approved the additional \$6 million approved by voters in 2023, bringing the grand total to \$21 million: \$6 million in 2008, \$9 million in 2017, and \$6 million in 2023.

Council Member Steiner moved, seconded by Council Member Peterson to Adopt Ordinance No. 158, An Ordinance Repealing and Replacing Sections of City Code Section Title III; Administration, Chapter 34.40 to 34.60. Vote on the motion Steiner, Oachs, Peterson, Whitlock, and Carlson, aye, no nays. Motion carried.

Assignment and Assumption of Promissory Note, Mortgage, and Consent.

City Administrator McCann reported that in 2021 the City approved a forgivable loan to WW Land Company for an infill project at 235 Belgrade Avenue. WW Land Company is looking to sell the property to the current tenant of the property, Heidi Hermel, who runs the Skin Clinic Med Spa out of the location. WW Land Company requests the transfer of the forgivable loan to AH Hermel LLC. The City originally approved the project using Sales Tax Funds for downtown revitalization and toward the construction of the project due to soil issues that required helical piers and would have been a costly expense to the developer. City Administrator McCann noted that with the completion of the project, the City's goal was completed, and he recommended the transfer from WW Land Company to AH Hermel LLC.

Council Member Whitlock moved, seconded by Council Member Steiner to Approve the Assignment and Assumption of Promissory Note, Mortgage, and Consent. Vote on the motion Steiner, Oachs, Peterson, Whitlock, and Carlson, aye, no nays. Motion carried.

Open Forum

Barb Church, 102 Wheeler Avenue, appeared before Council and stated she thought the City Council should invite the same people who spoke about climate change with the Mankato City Council to speak at a North Mankato City Council meeting.

Tom Hagen, 927 Lake Street appeared before Council, stating the City should consider some form of energy and climate committee.

John Hurd, 732 Garfield Avenue, appeared before Council and stated he could not write comments on the Lookout Drive study page. He stated he did not think the City should do any mosquito spraying. He thought the City should consider doing a laser show rather than Fireworks. Council Member Steiner clarified that the City does not host Fireworks. Mr. Hurd stated he does not like the new street lights and would prefer to go back to the orange-colored lights. He stated that the City should encourage planting boulevard trees and trees in general.

City Administrator and Staff Comments

City Administrator McCann stated that Mayor Carlson is working on starting up the Intergovernmental Committee, and maybe a discussion about climate change could be a topic of discussion.

Public Information Officer Brown commented that the comments for the Lookout Drive project have not opened.

City Administrator McCann noted that the City offers boulevard trees at a discount for those interested.

City Administrator McCann invited everyone out to Fun Days July 6-9th. He noted that carnival wristbands could be purchased at City Hall.

City Administrator McCann reported AquaZumba by Fit for 10 will occur at the Spring Lake Swim Facility and the next adult night will be on July 14, 2023.

City Administrator McCann stated that youth recreation programs such as golf, tennis, sand volleyball, and football are available for interested youth.

City Administrator McCann invited everyone to the LEEP Legends game on July 13th; Culture, Recreation, and Quality of Life Director Heintz will be participating.

Mayor Carlson requested clarification on how to locate information on the Kiddie Parade. Public Information Officer Brown stated the Library hosts the parade and to visit the library website for additional information.

Mayor and Council Comments

Council Member Steiner stated he would like a Council Work Session on terminating the use of the Darn Nice Area.

Mayor Carlson thanked the park and street staff for all of their work.

At 7:36 pm, on a motion by Council Member Oachs, seconded by Council Member Steiner, the Council Meeting was adjourned.

Mayor

City Clerk